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SENIOR INTERAGENCY GROUP (INTELLIGENCE)
INTERAGENCY GROUP/COUNTERMEASURES (POLICY)
WASHINGTON, D.C. 20505

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87-1569X

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MEMORANDUM

October 26, 1987

TO: IG/CM(P) Phy SC Members
(See Distribution)

FROM: Gregorie W. Bujac *gwb*
Executive Secretary

SUBJECT: Minutes--IG/CM(P) PhySC Meeting, September 23, 1987

Attached is a copy of the final minutes of the September 23, 1987 meeting.

Attachments:

1. Final Minutes from 9/23/87

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(Unclassified upon removal of classified attachments)

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Attachment 1

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MINUTES OF SIXTH IG/CM(P) Physc MEETING
SEPTEMBER 23, 1987
ROOM 6W02, COMMUNITY HEADQUARTERS BUILDING

The sixth meeting of the Physical Security Committee convened at 1410 hours, September 17, 1987. The meeting was chaired by Mr. Louis Schwartz, Jr., Deputy Assistant Secretary of State and Director of the Diplomatic Security Service. A list of the individuals attending is attached. (U)

1. The minutes of the fifth meeting of the Physical Security Committee were approved. (U)

2. The Chairman requested a report from Neal Price (FBI) on the vulnerabilities of the S&G combination padlock. Mr. Price advised that all padlocks suffered traditional vulnerabilities which have been accommodated through redesign or operational use limitations in the past. The new vulnerability was no different. The manufacturer had already initiated changes to correct the design deficiency which could be exploited. There was no way to retrofit the hundreds of thousands of padlocks already in use worldwide. There was consensus that the padlock as it is normally used did meet current standards and did not require any special delimitting notification. (C)

ACTION: The Chairmen requested the lead agencies, FBI, CIA, DOD and State to review their Agencies use of the padlock and report any plan of action that they feel may be required because of the inherent vulnerabilities in combination padlocks. (C)

3. The Chairman questioned if the Physical Security Committee Charter had gone forward for approval. The IG/CM(P) Staff Secretariat advised that his Chairman had approved and signed the forwarding letter. (U)

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4. The Chairman solicited discussions from sitting members of their agencies physical security programs and areas of expertise. This was a result of action tasking from the previous meeting which requested each agency be prepared to present a synopsis of its physical security programs as they may relate to and be of benefit to others. Ensuing discussions limited the scope of this effort to defining specific "Centers of Excellence" which individual agencies maintain and are recognized for. Knowledge of these may not be widely known but may be most beneficial to all agencies. (U)

ACTION: Sitting members are requested to forward a listing of their Centers of Excellence to the Executive Secretary. State will review and synopsise as needed, and present the package to the Committee. (U)

5. Jeffrey Schatz, Chief of Metals Branch, Engineering Division, Furniture Commodity Center of GSA, was introduced and briefed the Committee on their Inter-agency Advisory Committee on Security Equipment (IACSE) Master Program Plan. Mr. Schatz presented a brief history of the GSA Federal Supply Service function and the advisory role of the IACSE, and the intended role in meeting the common needs of the Government. To this end the IACSE prepared a Master Program Plan of 13 taskings and contracted for support of the effort to Dynatrend Inc. The contracted tasking statement is attached. (Attachment 2)

Mr. Schatz advised that the program was based on \$3.4 million 3 year effort but only partially funded for start-up. Full funding was not budgeted and the contract expires October 8 of this year. The Contractor had completed some of the taskings and reported their findings to IACSE. (See the attached documents) (U)

Regarding the GSA interest for continuance of the total Program. Mr. Schatz noted that GSA would maintain its responsibility for specification and standards but did not have the expertise required to manage such a technically specific program. GSA would have to remain dependent on user agencies, via the IACSE, to fund and drive such efforts. Questions arose as to other funding sources especially for Government testing and certification programs efforts. Mr. Schatz noted various options involving "industrial funding" charges on the product end. (U)

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Discussions followed and their was consensus that some form of the Master Plan would be carried forward by this Committee. The taskings and progress to date would be reviewed and determination made as to the direction to be taken. (U)

ACTION: State would disseminate the taskings and program status reports of the IACSE Master Program Plan at the next sitting of this Committee. The Agencies would review and formally comment on the Program effort, state their areas of interests and propose the vehicle or method of continuance. (U)

6. The Chairman raised the matter of funding of the Lock Initiative specifications and testing effort now underway at NCEL. There was some confusion as to the tracking of funds and the commitment of the sitting members to fund the effort. GSA noted that DOD had funded initial start-up. GSA solicited letters of commitment from all participating agencies. This will allow GSA to fund the effort and bill the agencies accordingly. The Chairman poled the sitting members and found there was need for action. The following funding levels were identified:

- CIA, DOE, FBI and GSA agreed to fund \$25,000.00 each.
- Treasury agreed to fund \$15,000.00.
- State agreed to fund \$30,000.00.
- NSA and Commerce agreed to seek \$25,000 & \$15,000 respectively.

Other sources of funding were to be considered. DEA was to determine the feasibility of using confiscated dollars. (C)

ACTION: Members should officially acknowledge support of this effort by submitting letters detailing the level of funding commitment to Mr. Lou deProspero, the GSA COTR. (U)

NEW BUSINESS

1. There was no new business.

2. The next meeting was scheduled for October 21, 1987, at 1400 hours in room 6W02 of the Community Headquarters Building. The membership will be advised if the time or room number changes.

ADJOURNMENT

This meeting was adjourned at 1600 hours.

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PHYSICAL SECURITY SUBCOMMITTEE
AGENDA - SEPT. 21, 1987

1. Distribution IACSE Master Plan Fred Brandt
2. Discussion - Centers of Excellence Greg Bujac
3. Status - Lock Initiative Study Neal Price
4. Briefing - DOS Explosives Detection Fred Brandt

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SENIOR INTERAGENCY GROUP (INTELLIGENCE)
INTERAGENCY GROUP/COUNTERMEASURES (POLICY)
WASHINGTON, D.C. 20505

October 26, 1987

MEMORANDUM

TO: IG/CM(P) Phy SC Members
(See Distribution)

FROM: Gregorie W. Bujac *gwb*
Executive Secretary

SUBJECT: Minutes--IG/CM(P) PhySC Meeting, October 21, 1987

Attached is a copy of the draft minutes of the October 21, 1987 meeting. Corrections should be directed to me for inclusion in the final minutes.

The next meeting is confirmed for Wednesday, November 18, 1987 at 1400 hours in room 6W02 of the [redacted]
Attendees, please remember to notify [redacted] at [redacted] NLT noon, Tuesday, November 17, 1987.

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Attachments:

1. Draft Minutes from 10/21/87
2. Agenda for 11/18/87

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Attachment 1

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DRAFT
MINUTES OF SEVENTH IG/CM(P) PhySC MEETING
OCTOBER 21, 1987
ROOM 6W02,

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The seventh meeting of the Physical Security Committee convened at 1400 hours, October 21, 1987. The meeting was chaired by Mr. Louis Schwartz, Jr., Deputy Assistant Secretary of State and Director of the Diplomatic Security Service. A list of the individuals attending is attached.

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1. The minutes of the sixth meeting of the IG/CM(P) PhySC were approved as amended.

2. The Chairman asked several agencies for their policy regarding the continued use of the combination padlock in light of its recently discovered vulnerability.

FBI explained that they were following DOJ direction to phase out all containers with padlocks, replacing them with approved safe containers.

CIA stated that they do not employ containers with padlocks.

DOD advised that they will be pursuing a change in the milspec for the continued use of padlock containers, particularly in the Industrial Security program.

State added that their plans call for removing padlocks from use overseas to secure classified material.

ACTION: Members are encouraged to examine their respective agencies and establish policy as appropriate.

3. Centers of Excellence - DOD has submitted a listing of their major research and development projects as well as responsible commands. However, to date they are the only agency to respond.

ACTION: Each agency was requested to forward centers of excellence data to Greg Bujac for processing and distribution to the full committee.

4. Master Plan - There was a brief discussion of the master plan and copies of the work completed thus far were distributed. Tasks one and three have been completed.

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ACTION: Each agency was requested to review the plan and determine which tasks have continued interest and need. Members should be prepared to discuss this and how to fund them at the next meeting.

5. Lock Initiative - Doug Cavileer, DOD reported that GSA - Jeff Schatz believes he now has received enough commitments to fund the NCEL lock initiative. Neil Price, FBI added that the last safe and lock manufacturer, LeGuard, has been briefed on the known vulnerability. LeGuard responded by sending a letter to a large number of addressees basically calling for closer cooperation between government and industry to develop better products to meet security needs.

ACTION: Fred Brandt will confirm with GSA that they have received the necessary funding. A copy of the LeGuard letter is attached for member information.

6. NEW BUSINESS - State - Fred Brandt briefed the committee on the latest breakthrough with regard to an explosives detector research and development project. Namely, the contractor has been able to refine the sampling device and reduce the cycle time for processing to less than ten seconds. The next step is to improve the method of taking samples. It will be two months before plans of the preproduction prototype will be available and members will be briefed again at that time.

ACTION: Members desiring a full briefing on the program should contact Fred Brandt at 875-6561.

State - Lou Schwartz briefed the committee regarding the new security standards for the storage of classified material overseas. These OSPG approved standards are basically, in criterion countries classified storage will be prohibited unless the site is protected by a twenty-four hour American presence. In non-criterion countries all classified must be stored in an approved vault, secured with alarms and established American response capability.

ACTION: Each agency should assess the impact of these standards and work with Mr. Clark Dittmer, Director, Protection and Investigations, State to resolve issues. Clark's telephone number is 647-2596.

7. NEXT MEETING - The next meeting will be held November 18 in Room 6W02 of the Community Headquarters Building at 1400 hours.

ACTION: Members who plan to attend should notify NLT Noon of the previous day.

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ADJOURNMENT

This meeting was adjourned at 1450 hours.

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Attachment 2

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PHYSICAL SECURITY SUBCOMMITTEE
AGENDA - November 18, 1987

1. Approve minutes of the seventh meeting of the IG/CM(P) PhysC.
2. Discuss requirements of master plan and how to fund.
3. Issue list to members and discuss Centers of Excellence.
4. New Business

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LA GARD INC

3330 Kashiwa Street
Torrance, Calif. 90505
213-325-5670 Telex: 887577

September 30, 1987

Mr. Ray Mayer
Code 1564C
Department of the Navy
Naval Construction Battalion Center
Port Hueneme, CA 93043-5000

Dear Mr. Mayer:

This letter is in response to your correspondence of August 25, 1987, regarding the proposed specification MIL-L-15596G. La Gard intends to provide technical assistance about this specification in the enclosed document. First, however, we would like to refer you to the La Gard letter of June 24, 1986 to DISC, regarding the specification MIL-L-15596F, the receipt of which was acknowledged by DISC on July 24, 1986, at which time the information was forwarded to your office.

La Gard simply cannot understand why the government would:

1. Take one year to produce another ambiguous specification, written by a person that knows absolutely nothing about combination locks.
2. Not respond to the specific questions posed to La Gard's letter of June 24, 1986.
3. Alter nothing from specification MIL-L-15596F to MIL-L-15596G, that significantly affects the performance of the combination locks against covert and surreptitious actions.

In view of the fact that there was no reply to our first letter, and that the questions initially raised are still valid, and in view of additional questions that we have, the enclosed document will attempt to be specific on the key points, as well as provide the reasoning and examples to substantiate our comments.

It appears that although the government is spending billions of dollars to generate classified material, it is ignoring the importance of developing a performance specification to protect it. You should be aware that La Gard's only interest is in ensuring that National Security requirements are met. Based on our expertise in security, as well as combination lock manufacturing, La Gard will attempt to show the serious failings of this specification with regard to security.



Mr. Ray Mayer
Code 1564C
Department of the Navy
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Further, La Gard would appreciate a timely reply to the questions posed herein, perhaps in 90 days, rather than in one year, and in the form of another ambiguous specification.

La Gard firmly recommends that the government develop a performance specification based on it's need to protect from covert and surreptitious entry, rather than trying to design a combination lock and dial using the structure of the specification.

By limiting the design throughout this specification, the government can in no way have access to state-of-the-art technology that has been, or will be, available commercially. Being locked into meaningless standards also does not allow cost-saving developments that accomplish the security requirements, and causes a severe waste of the taxpayer's money to repeatedly keep rewriting the specifications.

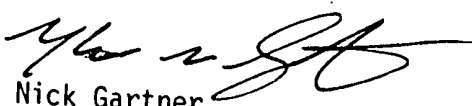
However, if the government is trying to design its own combination lock, it should take action to develop its own specification for a government-only lock, and prepare a complete documentation package for competitive bidding.

Whether it be a documentation package, or a performance/testing specification, we as combination lock manufacturers, unlike in the past, would like the option to witness the various tests performed (as allowed by Underwriters Laboratories). By being present, it will avoid putting us into a situation where the lock failed but "someone knows someone that can surreptitiously and/or covertly enter the lock, but the man who could do it can never be found", as has conveniently happened in the past. La Gard can provide examples of this type of embarrassing situations on request. Without the capability to get a demonstration of where the failure occurred, the manufacturer is unable to immediately correct or redesign the part.

Thank you for your timely response to this correspondence, and if you require any additional information, please do not hesitate to contact us.

Sincerely,

LA GARD INC.


Nick Gartner
President